



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Sevier River Resource
150 EAST 900 NORTH
RICHFIELD, UTAH 84701

11/04/1991



IN REPLY REFER TO
3809
(U-056)
UT056-2P

November 6, 1991

Mr. Bob Shajary, Plant Manager
Georgia-Pacific Corporation
P.O. Box 80
Sigurd, Utah 84657

RE: Bond for Sigurd Mine Plan of Operations

Dear Mr. Shajary:

As Michael Jackson discussed with you today, the Bureau of Land Management has revised its policy for bonding plans of operations under 43 CFR 3809. All non-cyanide plans of operations must be bonded with a maximum bond amount of \$2000 per acre. The policy requires that all plans be evaluated by January 1, 1992.

As you are aware, Georgia-Pacific has a bond posted with the Division of Oil, Gas, and Mining, State of Utah. The Bureau can still accept bonds that are posted with the State of Utah; however, that bond must be within 75% of the Bureau's estimate of reclamation. Under the policy, Bureau staff must independently calculate reclamation costs on existing plans of operations to ensure an adequate bond is posted.

Your assistance is requested in this evaluation by submitting a copy of the company's estimate of all reclamation costs and bonding. This information is requested as a breakdown for all costs of reclamation including roads, waste dumps, open pits, and other surface disturbance. Costs should include equipment and operating costs, labor, and project overhead. This information is requested for each logical mine unit or other logical unit. DOGM has also been requested to submit a copy of its bond determination.

Also, I would like to remind you that Michael Jackson and Ray Audette, BLM, and Holland Shepard, DOGM, have an inspection scheduled with you for Dec. 9, 1991.

If you have any questions, please contact Michael Jackson at 896-8221.

Sincerely,

J. Frederick Hester

Area Manager

cc: DOGM

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OIL GAS & MINING